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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 19 February 2018 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Finland to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith, with reference to paragraph 18 of Security Council resolution 2371 (2017) and paragraph 19 of resolution 2375 (2017), the report of Finland on the measures taken to implement effectively resolutions 2371 (2017) and 2375 (2017) (see annex).

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Annex to the note verbale dated 19 February 2018 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

Report of Finland on the implementation of Security Council resolutions 2371 (2017) and 2375 (2017)

Measures adopted by the European Union pursuant to resolution 2371 (2017)

The restrictive measures adopted by the European Union against the Democratic People's Republic of Korea are based on Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP, and Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007, as amended.

Finland and the other States members of the European Union have jointly implemented the sanctions against the Democratic People's Republic of Korea imposed in Security Council resolution 2371 (2017) by taking the following common measures:[1]

- Council Implementing Decision (CFSP) 2017/1459 of 10 August 2017 implementing Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, and Commission Implementing Regulation (EU) 2017/1457 of 10 August 2017 amending Council Regulation (EC) No 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea, implementing the designation of additional persons and entities (travel ban and asset freeze)
- Council Decision (CFSP) 2017/1562 of 14 September 2017 amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, which provides the basis for the implementation of other measures imposed in resolution 2371 (2017), notably:
  - Prohibition of the entry into ports of vessels designated by the Committee pursuant to paragraph 6 of resolution 2371 (2017), unless entry is required in the case of an emergency or in the case of the vessel returning to its port of origination, or unless approved in advance by the Committee
  - Clarification that the prohibition on owning, leasing or operating any vessel flagged by the Democratic People's Republic of Korea also includes the chartering of vessels flagged by the Democratic People's Republic of Korea
  - Prohibition of the procurement of coal, iron and iron ore from the Democratic People's Republic of Korea if the conditions set out in paragraph 8 of resolution 2371 (2017) are not met
  - Prohibition of the procurement of seafood from the Democratic People's Republic of Korea
  - Prohibition of the procurement of lead and lead ore from the Democratic People's Republic of Korea
  - Prohibition on exceeding, on any date after 5 August 2017, the total number of work authorizations for nationals of the Democratic People's Republic

[1] All common measures are published in the *Official Journal of the European Union*.

of Korea provided in the member State's jurisdiction and valid on 5 August 2017, unless approved in advance by the Committee

- Prohibition of the opening of new joint ventures or the expansion of existing joint ventures with entities or individuals of the Democratic People's Republic of Korea, unless approved in advance by the Committee

- Clarification that the prohibition on the transfer of funds to or from the Democratic People's Republic of Korea also applies to the clearing of funds

- Clarification that companies performing financial services commensurate with those provided by banks are considered financial institutions

- Obligation to seize and dispose of items the supply, sale, transfer or export of which is prohibited in resolution 2371 (2017) that are identified in inspections

• Council Regulation (EU) 2017/1548 of 14 September 2017 amending Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which provides for the implementation of the above measures falling within the scope of the Treaty on the Functioning of the European Union.

Measures adopted by the European Union pursuant to resolution 2375 (2017)

Finland and the other States members of the European Union have jointly implemented the sanctions against the Democratic People's Republic of Korea imposed in Security Council resolution 2375 (2017) by taking the following common measures:

• Council Implementing Decision (CFSP) 2017/1573 of 15 September 2017 implementing Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, and Council Implementing Regulation (EU) 2017/1568 of 15 September 2017 implementing Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, implementing the designation of additional persons and entities (travel ban and asset freeze)

• Council Decision (CFSP) 2017/1838 of 10 October 2017 amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, which provides the basis for the implementation of other measures imposed in resolution 2375 (2017), notably:

- Prohibition of the supply, sale, transfer or export of all items, materials, equipment, goods and technology, as determined by the Security Council or the Committee pursuant to paragraph 4 of resolution 2375 (2017), that could contribute to the nuclear-related, ballistic-missile-related or other weapons of mass destruction-related programmes of the Democratic People's Republic of Korea

- Prohibition of the supply, sale, transfer or export of any item listed in the conventional arms dual-use list adopted by the Committee pursuant to paragraph 5 of resolution 2375 (2017)

- Prohibition of the entry into ports of vessels designated by the Committee pursuant to paragraph 6 of resolution 2375 (2017)

- Obligation on member States to inspect vessels on the high seas, with the consent of the flag State, if they have information that provides reasonable grounds to believe that the cargo of such vessels contains items the supply, sale, transfer or export of which is prohibited

- Obligation to report to the Committee if the flag State of the vessel does not consent to the required inspection
- Obligation on a member State that is the flag State of a vessel but does not consent to inspection on the high seas to direct the vessel to proceed to an appropriate and convenient port for the required inspection
- Obligation to deregister vessels designated by the Committee
- Prohibition on facilitating or engaging in ship-to-ship transfers to or from vessels flagged by the Democratic People's Republic of Korea of any goods or items that are being supplied, sold or transferred to or from the Democratic People's Republic of Korea
- Prohibition of the supply, sale or transfer to the Democratic People's Republic of Korea of all condensates and natural gas liquids
- Prohibition of the supply, sale or transfer to the Democratic People's Republic of Korea of all refined petroleum products
- Prohibition of the supply, sale or transfer to the Democratic People's Republic of Korea of an amount of crude oil that is in excess of the amount the member State supplied, sold or transferred in the period of 12 months prior to 11 September 2017, unless approved in advance by the Committee
- Prohibition of the procurement of textiles from the Democratic People's Republic of Korea
- Prohibition on providing work authorizations for nationals of the Democratic People's Republic of Korea in the member State's jurisdiction in connection with admission to its territory, unless approved in advance by the Committee
- Prohibition of the opening, maintenance and operation of all joint ventures with entities or individuals of the Democratic People's Republic of Korea, unless approved in advance by the Committee
- Obligation to seize and dispose of items the supply, sale, transfer or export of which is prohibited in resolution 2375 (2017) that are identified in inspections

• Council Regulation (EU) 2017/1836 of 10 October 2017 amending Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which provides for the implementation of the above measures falling within the scope of the Treaty on the Functioning of the European Union.

Furthermore, the European Union imposed additional restrictive measures against the Democratic People's Republic of Korea. These measures are provided for in Council Decision (CFSP) 2017/1860 of 16 October 2017 amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, Council Regulation (EU) 2017/1858 of 16 October 2017 amending Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, and Council Implementing Regulation (EU) 2017/1859 of 16 October 2017 implementing Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea.

National implementing measures

The above-mentioned European Union Council Regulations are binding in their entirety and directly applicable in all States members of the European Union.

Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea requires member States to determine the penalties applicable to infringements of its provisions.

At the national level, sanctions are enforced by virtue of the Act on the Enforcement of Certain Obligations of Finland as a Member of the United Nations and of the European Union (Sanctions Act, No. 659/1967). The Sanctions Act, together with the Criminal Code (No. 39/1889), provides for the penalties and forfeitures to be imposed for violations of European Union Council Regulations.

According to chapter 46, section 1 (9), of the Criminal Code, a person who violates or attempts to violate a regulatory provision contained in or issued on the basis of a European Union Council Regulation on restrictive measures shall be sentenced for a regulation offence to a fine or to imprisonment for at most two years. Pursuant to chapter 46, sections 2 and 3, of the Criminal Code, the penalty for an aggravated regulation offence is at least four months and at most four years of imprisonment, and when the regulation offence is deemed petty, the offender shall be sentenced for a petty regulation offence to a fine.

The arms embargoes imposed in Security Council resolutions and European Union Council Decisions are implemented at the national level by virtue of the Act on the Export of Defence Materiel (No. 282/2012). This legislation applies to all goods included in the Common Military List of the European Union. The export of arms and related materiel and the provision of brokering services and other services related to military activities are subject to specific authorization. Authorization will not be granted for the export of defence materiel to any country that is subject to an arms embargo, unless grounds for exemption exist for the type of export in question, as provided for in a Security Council resolution or a European Union Council Decision.

According to chapter 46, section 11, of the Criminal Code, violation or attempted violation of the authorization scheme referred to in the Act on the Export of Defence Materiel is punishable as a defence supplies export offence. The offender shall be fined or imprisoned for a maximum period of four years.

The export, transit and brokering of dual-use goods, software and technology require a licence from the Ministry of Foreign Affairs, as provided for in the Act on the Control of Exports of Dual-Use Goods (Act No. 562/1996), in line with the European Union export control regime governed by Council Regulation (EC) No. 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items, as amended. Authorization can be denied on the grounds of, inter alia, international obligations that are binding on Finland. Violations or attempted violations of a regulatory provision contained in the Act are punishable as a regulation offence, as provided for in chapter 46, sections 1 to 3, of the Criminal Code.

The Aliens Act (No. 301/2004) regulates the requirements concerning admission into Finland and visa issuance. The Aliens Act, together with Council Decision (CFSP) 2016/849 and Council Regulation (EC) No. 539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement, as amended, provides the basis for the refusal of admission to and the denial of visa applications for persons subject to a travel ban.

Responsibility for the enforcement of European Union restrictive measures is divided among the relevant national authorities. For example, the freezing of funds of a natural or legal person designated in a Council Regulation is executed by the Enforcement Authority at the request of the Ministry of Foreign Affairs. Other competent authorities include the National Bureau of Investigation, the Finnish Border Guard and Finnish Customs.